

Steve Westly
California State Controller



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California State Controller Steve Westly
Comments on NYSE's Investigation of
Five Specialist Firms Charged With Improper Trading

Sacramento, October 16, 2003 – State Controller Steve Westly again called on the NYSE for immediate reform in response to today's report that the NYSE seeks to discipline and fine five floor-trading firms for improper practices which caused clients to suffer millions of dollars in losses.

Earlier this week, Westly joined with Fidelity in calling for the NYSE to innovate and use new technology to provide investors with the most efficient and economical service. Controller Westly stated, "Today's disclosure of investigations against five specialist firms further supports the need for fundamental changes to the business models and systems of the NYSE."

Westly also warned that, "I know that the NYSE is built on a very established system and that many have an interest in keeping the status quo. Nonetheless, we have seen that the status quo no longer serves the needs of millions who rely on an ethical and efficient stock exchange. We must pursue systemic change throughout the NYSE."

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